IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MOSTLY MEMORIES, INC. a Missouri Corporation, Plaintiff, vs. FOR YOUR EASE ONLY, INC. An Illinois Corporation; LORI GREINER AND DANIEL GREINER, individually and D/B/A, CLEVER & UNIQUE CREATIONS, WITH LORI GREINER, ON QVC, TV, An Unincorporated Business Association; and QVC, INC., A Pennsylvania Corporation, Defendants.	**Civil Action No. 05-C-7058**
FOR YOUR EASE ONLY, INC., An Illinois Corporation, Counterclaim Plaintiff, vs. MOSTLY MEMORIES, INC., A Missouri Corporation; SCENTIMENTALS, INC., A Missouri Corporation; and TRICIA DERGES, a Missouri resident, Counterclaim Defendants.	

STATEMENT OF MATTERS IN DISPUTE

This Status Report relates to For Your Ease Only, Inc.'s ("FYEO") and QVC's requests for attorney's fees and costs from Mostly Memories, Inc.'s ("MMI") pursuant with Local Rule 54.3. That Rule provides that the party seeking attorneys' fees must provide the respondent with time and work records, hourly rates and other evidence upon which a motion for attorneys' fees will be based. FYEO and QVC provided that evidence to MMI on June 13, 2008. MMI received the documents on June 16, 2008. Within 21 days, or July 7, 2008, if no agreement is reached between the parties based on the information provided, MMI was to furnish to FYEO and QVC the total amount of attorneys' fees paid by respondent, time and work records, evidence of the hourly rates, specific expenses and other evidence respondent will use to oppose the movants' request. MMI did not provide the records.

On July 21, 2008, pursuant to Local Rule 54.3(g), FYEO filed a Motion for Instructions requesting the Court for guidance based on MMI's failure to provide documents or otherwise respond to FYEO's submission. That motion remains pending. By August 5, 2008, the parties are required to submit a joint statement of matters in dispute.

On August 4, 2008, MMI filed a motion for an extension of time to file the joint statement. MMI did not discuss the extension of time with FYEO. FYEO communicated with MMI's attorney on August 5, 2008, in an effort to agree to a Local Rule 54.3 schedule but the parties were unable to reach an agreement. The parties did agree to discuss the matter again. Because no resolution was reached, and in order to preserve FYEO's rights pursuant to Local Rule 54.3, FYEO files this statement.

FYEO and QVC have provided to MMI the documents sufficient to justify the requested fees and costs. FYEO seeks costs in the amount of $66,340.58 and fees in the amount of $593,499.10 for the district court action and $497.81 in costs and $95,016.50 in fees with respect to the appeal. QVC seeks an amount of $107,152.26 for fees, costs and other expenses. Because MMI did not timely file objections or otherwise respond, and because the submissions by FYEO and QVC show that the requests for fees and costs are well substantiated and reasonable, FYEO's position is that MMI shall pay the amounts as stated herein to FYEO and QVC.

Respectfully submitted,

By its attorneys,

Date: August 5, 2008

/s/ Daniel W. McDonald___________
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